

CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
10 January 1963

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Progress of the War in South Vietnam

1. Though the South Vietnamese government probably is now holding its own against the Viet Cong and may be reducing the menace in some areas, the tide has not yet turned.

2. South Vietnam has made some military progress in its struggle with the Viet Cong due in no small measure to extensive US support. The Viet Cong, however, continue to expand the size and effectiveness of their forces, and are increasingly bold in their attacks. Furthermore, Diem's political improvements have not kept pace with purely military achievements.

3. Various statistics indicate government progress against the Viet Cong during 1962, but these can be misleading as a basis for a conclusion on who is winning. For instance, Viet Cong casualties during 1962 were reported at more than 30,000 including some 21,000 killed in action. Yet current Viet Cong strength is estimated at 22,000-24,000 regulars, as opposed to an estimated 17,600 last June. This suggests either that the casualty figures are exaggerated or that the Viet Cong have a remarkable replacement capability--or both.

4. The ratio of weapons captured to weapons lost has recently turned in favor of the government. For example, in October and November, the last two months for which complete statistics are available, the South Vietnamese lost a total of 736 weapons and captured 860. But many of the Communist weapons are

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old French equipment or crude homemade rifles and pistols, while government losses are generally modern US weapons.

5. The number of government strikes has certainly increased during the past year. But all too frequently the Viet Cong are gone when the strike force arrives. Hence, a pure count of government mounted operations may indicate a more determined ally but not necessarily a weakened enemy.

6. Nor is it completely safe to judge the condition of this enemy by the type of operation he mounts. Widespread small-unit attacks do not necessarily mean that the Viet Cong are on the defensive any more than a series of battalion-size operations necessarily heralds the advent of positional war. Each type of action is an integral part of the strategy known as "mobile warfare"--essentially a war of attrition.

7. The South Vietnamese, with extensive US assistance, have instituted military and political measures which have had some success in curbing the insurgency menace. Training has been intensified, counter guerrilla tactics have been improved, and force levels augmented. These, in conjunction with new US-provided or operated equipment and US tactical advice, have all resulted in a measure of increased effectiveness, mobility and aggressiveness on the part of government forces. A recent reorganization of the military command structure is designed to facilitate quicker and better responses to Viet Cong military moves.

8. In the political sphere, various counter-insurgency projects--of which the strategic hamlet program is the most important--have improved the local security situation in some areas and made some progress toward persuading the rural population to identify its fortunes with those of Saigon. Results of politico-military "clear and hold" operations--where an effort is made to follow up a military success with a political action program--have been encouraging. So too have been the results of work among the montagnards and a heterogeneous variety of civilian

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paramilitary units known collectively as Citizens Irregular Defense Groups.

9. The overall effectiveness of the counter-insurgency effort, however, continues to be blunted by the government's political modus operandi. Assorted control measures designed to guard against disloyalty in the military forces hobble their combat effectiveness. Recent military appointments have removed some competent officers from responsible positions and replaced them with others deemed more loyal. The political danger of acting without the protection of explicit orders is frequently responsible for unit commanders' reluctance to exercise initiative. Provincial administration remains a major weakness; in some areas counterinsurgency programs have been carried out in such a way as to antagonize the peasantry further. Insensitivity to real or fancied popular grievances or to issues of popular interest such as corruption has done little to enhance the regime's internal image.

10. The Viet Cong actively exploit the government's domestic political shortcomings. The Viet Cong-controlled National Front for the Liberation of South Vietnam purports to combine all shades of political opinion and works conscientiously to identify itself with the peasantry, as do Viet Cong troops. Out of the 2456 villages in South Vietnam, 766, with about 2,275,000 inhabitants, either are physically held by the Viet Cong or subject to their control. In these areas, the Viet Cong exercise effective authority, including taxation. Viet Cong sympathizers are also found in government controlled areas. In fact, South Vietnam's rural population constitutes the principal support of the Viet Cong military establishment.

11. There has been a determined effort to improve the fighting effectiveness of this military establishment.

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since early spring, fire power has been improved, in some instances with Chinese Communist

weapons. The Viet Cong have developed techniques for employing this fire power against low flying aircraft with considerable success.

12. The Communists, however, face some very serious problems. Recent government operations have destroyed Viet Cong food stores and there are increasing reports of low morale as a result of hunger and the lack of medical facilities. This situation seems most acute among Viet Cong in the highland regions. Despite their improving ability to down helicopters, the Viet Cong are finding it difficult to concentrate and move troops in the face of greater South Vietnamese mobility. While it is difficult to assess the exact damage being done by air strikes, Viet Cong prisoners have expressed the fear these strikes instill in the individual guerrillas.

13. On balance, the war remains a slowly escalating stalemate. Both sides have problems, but both have improved their capabilities during recent months.

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